



# Phelan Piñon Hills Community Services District

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**PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT  
REGULAR BOARD MEETING  
March 3, 2010 – 7:00 p.m.  
Phelan Community Center  
4128 Warbler Road, Phelan, CA 92371**

## MINUTES

**Board Members Present:** Charlie Johnson, President  
Joe Fahrlander, Vice President  
Ken Anderson, Director  
Al Morrissette, Director  
Mark Roberts, Director

**Board Member Absent:** None

**Staff Present:** Don Bartz, General Manager  
Debbie Bishop, Board Secretary  
Steve Lowrance, Parks Lead

### Call to Order

President Johnson called the meeting to order at 7:03 p.m. and the Pledge of Allegiance was conducted.

### Roll Call

All Board Members were present.

#### 1. Approval of Agenda

Mr. Bartz stated the only Closed Sessions needed for tonight is the Anticipated Litigation. Vice President Fahrlander moved to approve the Agenda. Director Anderson seconded the motion. All were in favor.

#### 2. Public Comment

Albert Aduna thanked the Board for their consideration of the Kiwanis Club's 4<sup>th</sup> of July Fireworks Proposals.

#### 3. Consent Items

Mrs. Bishop noted that there is a correction to the February 23, 2010 Special Board Meeting Minutes; the time of the meeting was 6:00 p.m. not 5:00 p.m.

Mrs. Bishop stated there is an error on Item 3f on the third whereas, the word developed should be developing.

President Johnson noted there were corrected items for Consent Item 3b distributed to the Board.

Vice President Fahrlander motioned to approve the consent items. Director Morrissette seconded the motion. All were in favor.

#### 4. Matters Removed from Consent Items

None

#### 5. Presentations/Appointments

None

**6. Continued/New Agenda Items – Action Items****a. Discussion and Possible Approval of Resolution #2010-11; Setting Procedures and Charges for Public Review and Copy of District Records**

Mr. Kennedy briefed the Board on Resolution #2010-11; Setting Procedures and Charges for Public Review and Copy of District Records.

President Johnson asked if the District is required to note on an item if it is not available for public review. Mr. Kennedy stated he generally does note his items; however, it would be very difficult for staff to note every document.

A discussion took place regarding staff determining whether items were available for public review.

Director Morrissette motioned to approve the Resolution. Director Roberts seconded the motion. All were in favor.

**b. Discussion and Possible Approval of Resolution #2010-12; Establishing Policies and Procedures for the Disposal of Surplus District Policy**

Mr. Kennedy briefed the Board on Resolution #2010-12; Establishing Policies and Procedures for the Disposal of Surplus District Property.

A discussion took place regarding blanks left in the policy for the Board to determine which account the proceeds would be applied.

Director Anderson asked for clarification on the procedure. Mr. Kennedy summarized the procedure for the Board.

A discussion took place regarding which account to apply the proceeds to. Mr. Bartz stated he recommended applying the proceeds to an account to offset the expense of replacing the items. President Johnson suggested placing the proceeds in the appropriate reserve fund. Vice President Fahrlender asked if “appropriate” could be placed in the blank lines. Mr. Kennedy stated that would be allowed.

A discussion took place regarding the definition of “salvage property”. Mr. Kennedy briefed the Board on the definition of “salvage property” and further discussions took place regarding the determination of whether an item is “salvage property”.

A discussion took place regarding placing a monetary limit on the amount of Salvage property the General Manager can approve. After discussions, the Board agreed to add “has no reasonable resale value greater than \$5,000.00” to Sections 2 (E) and 4 (A) 4 and place the word “appropriate” in the blanks. Director Anderson motioned to approve the Resolution with the above amendments. Director Roberts seconded the motion. All were in favor.

**c. Discussion and Possible Action on LAFCO Nomination for Regular Special District Member and Alternate Special District Member**

With no nominations before the Board, the Board moved on to the next item.

**d. Discussion and Possible Action regarding the Hiring Process and Retirement Program**

Mr. Bartz briefed the Board on different retirement options available to the District through CalPERS.

Director Anderson asked if the District could explore other retirement options. A discussion took place regarding the ability to offer other types of retirement options to new employees.

The Board asked if new employees could be placed in other retirement programs rather than in CalPERS and what other options are available.

**ACTION ITEM:** Staff to determine if new employees can be placed in other retirement programs rather than CalPERS and what other options are available.

After the discussion the Board agreed to table this item and bring it back to a future agenda item once staff has addressed the Boards questions.

e. **Discussion and Possible Action regarding support to the Community for Different Activities**

Mr. Kennedy briefed the Board on the memorandum he provided in the meeting packet regarding gifting of public funds.

Director Morrisette asked if usage of the Community Centers could be donated for use for fundraisers. Mr. Kennedy felt that would be appropriate.

Director Anderson stated he was hoping the District could come up with a plan regarding donating certain amounts to each activity in the Community.

Director Morrisette felt the Board has already established parameters for Mr. Bartz to follow. Director Anderson asked if Mr. Bartz was comfortable with the procedure. Mr. Bartz stated he was. He stated he didn't allocate some funds earlier in the year because he was unsure if the Board was going to allocate a large amount of funds to the 4<sup>th</sup> of July Fireworks. Mr. Bartz felt this item has been cleared up since the Board made its decision regarding the fireworks.

Further discussions took place regarding the General Managers discretion to disburse the funds.

President Johnson stated it is very likely that the School Board will start assessing a fee for the use of its facilities for activities. He stated they spoke about having the General Manager meet with the School District at the Parks, Recreation & Street Lighting Committee Meeting

Director Morrisette asked if the Board would like to put a cap on the limit an organization can request. Mr. Bartz stated he was fine with the Board not determining a cap on what can be requested.

f. **Discussion and Possible Action on Property Tax Re-Allocation**

Mr. Kennedy briefed the Board on the Property Tax Re-Allocation. He stated his understanding is the funds are general tax funds and can be used for general purposes. He noted the District does not have the capability to generate a tax.

Director Anderson asked as an example, if only half of the District is paying a tax for an item, shouldn't the funds be placed towards the item the tax was created for? Mr. Kennedy stated it is conceivable that there could be an argument in the case of a special tax. Mr. Kennedy stated he believed the tax funds in question are for general purposes so that argument couldn't be made. President Johnson stated the tax funds that the District receives can no longer be identified through the County.

President Johnson stated he would like to see the funds go into the Governmental and Reserve Funds.

Vice President Fahlender stated the Board is talking about the share of the taxes that comes from an Ad Valarium Tax. President Johnson stated the amount is undeterminable.

A lengthy discussion took place regarding how the funds should be allocated in the District's budget and where they are currently being allocated.

**ACTION ITEM:** Ms. Lowrance to advise the Board as to where the tax funds are currently being allocated.

After discussions, the Board agreed this is part of the budget process and does not need to be a separate policy.

Vice President Fahlender moved to place the property tax funds back under the Enterprise Funds in the budget. Director Anderson seconded the motion. Vice President Fahlender and Director Anderson voted for the motion. President Johnson and Director Morrissette voted against the motion. Director Roberts abstained from the vote. The motion was not passed.

**7. Review of Action Items**

Mr. Bartz briefed the Board on the Action Items. He reported the water rights are ongoing; the Hydrant Valve Maintenance Map is on hold; staff is working on the comparison of the Edison Kilowatt hours and fees; and the property transfers from the County are almost complete.

**8. Committee Reports**

- a. **Engineering Committee (Standing)** – Director Roberts stated the Committee met on the second and they discussed the Edison situation, talked with Sheepcreek Water Company regarding their Well situation, discussed the Meter Change out program, and discussed the CIP projects for next year.
- b. **Parks, Recreation & Street Lighting Committee (Standing)** – Director Morrissette stated the Committee met on the second and they discussed ways of increasing the recreation aspect of things. He stated the Proposition 84 Grant Application was submitted complete and on-time.
- c. **Finance Committee (Standing)** – President Johnson stated they have not met since the last meeting.
- d. **Building Committee (Standing)** – Director Anderson stated they have not met since the last meeting.
- e. **Adjudication Committee (Ad Hoc)** – Director Roberts stated this item is ongoing and they continue to attend the principal meetings.
- f. **Solid Waste Powers (Ad Hoc)** – Mr. Bartz stated he is waiting for a return call regarding the Solid Waste Powers. Vice President Fahlender stated there was nothing further to report.
- g. **Legislative & Grant Committee (Standing)** – Director Morrissette reported that he and Mr. Bartz went to the ACWA DC Conference with Mr. Packard and met with several legislators. Director Morrissette stated Mr. Packard's influence with the legislators got them in front of the representatives. Director Morrissette stated the meetings were very positive.
- h. **Mission & Vision Statement Committee (Ad Hoc)** – Director Roberts stated there was nothing further to report.

**9. General Manager's Report**

A written report was provided to the Board. Mr. Bartz also reported the District is on its last 100 meters to install for the meter replacement program.

**10. Reports**

a. **Director's Report**

**Anderson** – Director Anderson reported he brought up Golden State Water at the Engineering Committee and felt Mr. Bartz should send a bill to Golden State Water for the fees incurred. The majority of the Board agreed.

**Fahlender** – Vice President Fahlender asked for more clarification between a presenter and a public comment.

**Morrissette** – Director Morrissette has nothing further to report.

**Roberts** – Director Roberts had nothing further to report.

b. **President’s Report** – President Johnson stated he had nothing further to report.

**13. Correspondence/Information**

None

**Set Agenda for Next Meeting – March 17, 2010**

- Presentations of Resolutions to Paul Davis, Reginald Adams, Susan Gates & Supervisor Mitzelfelt
- Discussion regarding the Draft of Fees for the Community Centers
- Discussion and Possible Action for Modification of Customers Bill
- Discussion and Possible Action regarding RFPs for Enterprise Management Accounting/Billing Software.

**Future Board Meeting**

- Discussion regarding the three tiered rate structure
- Discussion and Possible Action regarding the cost of Elections
- Discussion of Reformation of the Citizen’s Advisory Committee
- District Rules and Regulations

**Adjourn**

The meeting was adjourned at 9:52 p.m. for the Closed Session.

**Closed Session – Conference with Legal Counsel/Anticipated Litigation**  
Significant Exposure to Litigation pursuant to government code 54956.9(b)  
One potential case

**Announcements of Any Reportable Closed Session Actions**

There was no reportable action in the Closed Session.

**Adjourn**

With no further business, the meeting was adjourned at 10:45 p.m.

Board approved the above Minutes on March 17, 2010:

Charlie Johnson, President	Date
Debbie Bishop, Board Secretary	Date